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HOUSE BILL 1820

By Bowers

AN ACT to amend Tennessee Code Annotated, Title 71, Chapter 5, Part 1, relative to annual reverification of all TennCare enrollees.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 71, Chapter 5, Part 1, is amended by adding the following as a new section to be appropriately designated:

Section ____.

(a) The bureau of TennCare shall reverify the eligibility for Medicaid of TennCare enrollees classified by the bureau as a Medicaid eligible as permitted under current law. Local and state entities shall cooperate in the reverification process and shall notify the bureau of any changes in an enrollee's eligibility within two (2) weeks of any discovery of ineligibility. Any enrollee who is determined by the bureau to be ineligible for Medicaid shall be then terminated from the TennCare program in a manner consistent with the requirements of federal law and the enrollee shall be required to apply for such commercial insurance for which they are consequently eligible or to self insure if they should so choose.

(b)

(1) The TennCare bureau, in conjunction with the other bureaus or divisions of the department of commerce and insurance, shall compile lists of responsible individuals, parents, guardians, and foster parents within Tennessee.

(2) The TennCare bureau shall report such lists annually to the department of commerce and insurance;

(3) The TennCare bureau shall report a full and complete list of all TennCare enrollees of the immediate preceding eighteen (18) months to the department of commerce and insurance for reverification of eligibility purposes;

(4) Any and all commercial health insurance carriers, health plans, health maintenance organizations (H.M.O.s), managed care organizations (M.C.O.s), partially and/or fully self-insured health plans, medical savings account (M.S.A.) providers or administrators, and church health plans to report to the department of commerce and insurance complete lists of all individuals "offered" coverage during the immediate preceding eighteen (18) months, the eventual outcome of such offer, accompanied by individuals social security number, address, and place of employment.

(5) The department of commerce and insurance shall compile all such aforementioned lists and data;

(6) The department of commerce and insurance shall acquire or develop such basic rudimentary computer software necessary to cross-reference all such data and identify individuals no longer eligible for the medicaid program;

(7) Upon completion of such annual reverification, the department of commerce shall notify all such affected individuals determined to be ineligible of pending termination from the TennCare program in writing at their last, best known address;

(8) Affected individuals shall be entitled to a hearing before the department of commerce and insurance providing established procedures are followed:

(A) Such notification from the department of commerce and insurance shall advise affected individuals of their right to request a hearing before the department of commerce and insurance;

(B) Affected individuals shall be provided fourteen (14) calendar days from the date of notice by the department of insurance and commerce to notify the department in writing of their wish to exercise such right to a hearing;

(C) The department of insurance and commerce shall schedule such hearings for affected individuals at its earliest convenience at its office closest to the residence of the affected individual;

(D) Affected individuals confirmed by a hearing with the department of commerce and insurance to be ineligible for the TennCare program shall be entitled to a right of appeal to the insurance commissioner:

(E) The insurance commissioner shall have the authority to:

(i) decline to hear such an appeal;

(ii) hear such appeal;

(iii) decide favorable or unfavorably.

(F) Any such appeal, whatever its outcome, shall exhaust the administrative process.

(9) The department of commerce and insurance shall notify the TennCare bureau, at the completion of thirty (30) days from date of notice, to terminate said affected individual(s) from the TennCare program in a manner consistent with the requirements of federal law and shall no longer be eligible to receive TennCare benefits effective with the date the department determines them to be ineligible.

SECTION 2. The department of commerce and insurance shall develop one (1) standardized one page, one-sided form to be used by all commercial health insurance carriers, health plans, health maintenance organizations (H.M.O.s), managed care organizations (M.C.O.s), partially and/or fully self-insured health plans, medical savings account (M.S.A.) providers or administrators, and church health plans in conjunction with their open enrollments, new hire enrollments, subsequent enrollments, and application processes.

(a) The form shall consist of a summary of the actions chosen by the individual being offered coverage or the opportunity to apply for coverage detailing specifically whether they are applying, enrolling or declining to enroll.

(b) The form shall also contain the individual's full legal name, maiden name(s), aliases, social security number, Immigration and Naturalization Service (I.N.S.) alien registration number, full street address, and list of all dependents, regardless of whether they are applying or enrolling for coverage;

(c) The form shall also contain an acknowledgment by the individual that they are aware that it is illegal for them or their dependents to enroll or be enrolled in the TennCare program if they are offered employer sponsored health coverage at any price.

Said acknowledgment should also fully disclose the penalties for violating this prohibition;

(d) The form should contain a blank for the individual to sign and provide the date in their own hand;

(e) The form should also contain a blank for the licensed insurance agent, health plan representative, or employer representative conducting the enrollment/application process to sign and provide the date in their own hand.

SECTION 3. The provisions of this bill shall become operational to the extent that they are permitted by federal law and to the extent that all required approvals have been obtained from the federal department of health and human services under the terms of the federal TennCare waiver.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.